



# News & Views

**John**  
**AHERN**

State Representative • 6th District

## 2002 LEGISLATIVE SESSION REPORT

Dear Friends,

This is a wonderful time of year in the Spokane region. The snow is melting in the mountains, the streams and rivers are flowing, and smells of springtime are everywhere. At this time of nature's rebirth, I want let you know how much I have enjoyed my first two years as your state representative in Olympia. It is important for us in Spokane to have a strong voice and a united agenda in the Legislature to make certain that we make the views of our citizens clear. It has been a pleasure for me to be working with my 6th District seatmate, Rep. Brad Benson and with Sen. Jim West as we try to restore some sense of balance and proportion to the legislative process.

We knew in the beginning that the 2002 legislative session would be difficult and frustrating. Special elections last fall put Democrats in charge of both the House and Senate, as well as having the Governor's Mansion. It was going to be difficult to stop the steamroller of big spending we warned about last year when the Legislature passed a budget \$700 million out of balance. As the deficit grew to \$1.6 billion, we had hoped for a true bipartisan approach to balance the budget. Unfortunately, that never happened.

When we return to Olympia next January, it will be to face a deficit that already stands at \$1 billion *for the next two-year budget cycle*. The irresponsibility of it is breathtaking. The Democrats didn't so much finish the 60-day session on time as they just simply quit and went home.

It is going to require real leadership next year to dig us out of this mess. Without it, matters will only become worse.

I'm proud to represent the citizens and families of the 6th District. As always, please keep calling, writing and emailing me with your thoughts, advice and concerns.

In your service,

John Ahern  
Your State Representative

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## No relief for employers and no accountability from state government

House Republican efforts to get regulatory relief for business failed in this session, but are certain to be back on the agenda next January.

Despite a pending lawsuit and widespread sympathy from legislators, ergonomics workplace rules will go into effect as scheduled on July 1. When it appeared there were enough votes in both the House and Senate to repeal those rules entirely, Governor Locke threatened to veto the measure and it died. There was not enough support to override the threatened veto.

Instead, the governor said these ergonomics rules will take effect, but the state won't enforce them for two years while it conducts additional education programs and demonstration projects. However, that is a false talisman. Whether the state enforces the rules or not, because they will be in place, employers will be liable in legal actions if they don't meet the requirements.

Because of the enormous hole in the state's operating budget, legislative Democrats also refused to change the state's estate tax laws. In the past, Washington has followed the federal government's lead on this issue, but not this time.

While proponents of the estate tax, otherwise known as "the death tax," have argued against its reduction or repeal, farmers and small business owners know only too well how difficult it is to keep their operations going after the death of the owner. Survivors are forced to sell simply to pay the taxes. That is another issue that will be on the agenda next year.

These things are disturbing enough in themselves, but they become particularly annoying when state government refuses to do its job better – unless it gets more money first.

That is the approach the Legislature took this year when it approved a very modest set of efficiency measures for the Department of Transportation. As limited as they were, they become "null and void" unless taxpayers approve the statewide transportation package that will be on the November ballot.

Improving performance and productivity ought to be goals unto themselves to help restore trust in state government. That they are tied to a revenue package is just another example of the kind of arrogance in state government so many of us have come to resent.

## Democrat state budget from 'Olympia's Gang That Couldn't Count Straight'

To the surprise of few, the state operating budget adopted by Democrats in the Legislature last June turned out to be fiscally unsound. The budget spent \$700 million more than revenue coming in when it was adopted and, as the state's economy continued its predicted slide, lawmakers were forced back to the drawing board trying to bring the budget back into balance – just six months into the two-year fiscal cycle.

However, this session, Democrat budget writers drafted a new plan that actually makes it worse – doubling the deficit spending to \$1.4 billion more than anticipated revenue.

The budget uses Enron-style accounting tricks to cover this deficit, spending nearly all of the state's reserves and relying on a scheme to sell off future tobacco settlement payments in exchange for one-time cash. The state will be lucky if it gets 50 cents on the dollar. The up-front money will be used to pay operating expenses over the next 14 months, but the taxpayers will be paying off the debt for the next 30 years. This tobacco settlement money was supposed to go into health care and anti-smoking programs. Now it's going to the General Fund.

Like a family that has maxed out its credit cards to buy food, in the end, they're out of money, they still have a family to feed, and now they have bills to pay from their mounting debt.

Perhaps worst of all, the budget protects the state bureaucracy, while cutting spending for education, health care, public safety, and services for the truly needy. There is no serious effort to reduce the size of government. There is a net reduction of fewer than 1,000 jobs statewide. Compare that with Boeing's workforce reduction of 30,000.

Families and businesses understand that you can't continue to spend more money than you have coming in, or you will be in deep financial trouble very soon. Yet the Democrats controlling the Legislature, faced with a \$1.5 billion hole, could not bring themselves to stop the growth in spending.

The net reduction in the supplemental budget amounts to just \$298 million – or about 1.3 percent of the \$22.8 billion state budget. And with the state facing the first real decline in revenue from one biennium to

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another in two decades, the budget still increases state spending nearly 7 percent from the last biennium.

How many families, businesses or organizations do you know respond to a decline in revenue by increasing spending?

The results, once again, are predictable. By the Democrats' own admission, this budget will leave taxpayers with a \$1 billion shortfall at the start of the next biennium – if not causing the state to go completely in the red before the end of the year.

Finally, the Legislature, for all intents and purposes, eliminated the vestiges of I-601, the initiative approved by voters in 1993 to keep a lid on spending. That allowed the Democrats to tap the emergency reserve fund for \$325 million and raise business taxes by about \$30 million. Within a matter of days, a citizens group launched an initiative to restore those spending limits. It will be interesting to see if that group is able to get enough signatures to get the measure on the ballot.

## Tobacco 'securitization'

Here is what others are saying about the plan by the Democrats controlling the Legislature to sell off a portion of the state's settlement with tobacco companies – money once earmarked to pay for health care services and anti-smoking efforts – for a one-time cash payment to fund state spending increases.

**"Olympia's Gang That Couldn't Count Straight"** – *Spokesman-Review* editorial (3/22/02)

**"a disservice to our state's taxpayers"** – *Bremerton Sun* editorial (3/8/02)

**"cockeyed...create(s) many more problems than it solves"** – *Yakima Herald-Republic* editorial (3/8/02)

**"we'll pay a high price for this gimmick"** – *South (King) County Journal* editorial (3/14/02)

**"banana-republic finance"** – *Seattle Post-Intelligencer* editorial (3/21/02)

**"funny-money games"** – *Everett Herald* editorial (3/8/02)

**"a bad deal for Washington taxpayers"** – *Democrat Attorney General Christine Gregoire*

**"terrible fiscal policy"** – *Democrat State Treasurer Mike Murphy*

## Statewide Transportation funding goes to the ballot

The Legislature approved a \$7.8 billion statewide traffic relief package that will be put before the voters in November. It consists of a 9-cent per gallon increase in the gas tax, a 30 percent increase in gross weight fees for bigger trucks and a 1 percent increase in the state sales tax on new and used vehicles. The gas tax and gross weight fees would be phased in over two years.

Among the projects that would be funded under the proposal are \$208 million for the North Spokane corridor and \$35 million for widening I-90 from Argonne to Sullivan.

Finally, after 3 years of trying to get it right, the Legislature passed a bill that protects the \$30 car tab fees that were at the heart of I-695.



## Capital Budget will aid Blair Elementary, higher ed

The supplemental capital improvements budget approved this year by the Legislature contains \$4.2 million to help replace the Blair elementary school at Fairchild Air Force Base.

At the last minute, \$500,000 also was added to the budget for Spokane's West Central Community Center for a child care center.

WSU-Spokane receives \$500,000 for remodeling of the F.O. Berg Building. Nearly \$3.7 million was allocated to renovation of the Tawanka Commons at Eastern Washington University and the Inland Northwest Regional Sports/Recreation project received \$1.5 million.



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**Mark your calendar!**

**Townhall meeting**

**Saturday, May 11**

**1-3 p.m.**

**Northwest Museum of Arts and Culture**

**Eric A. Johnston Memorial Auditorium**

**2316 West 1st Ave.**

**Spokane**

*Please join Rep. Brad Benson  
and me at our townhall meeting.  
We'd love to hear from you!*



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